I. <u>AMENDMENT TO THE CLAIMS</u>

3. This listing of claims will replace all prior versions, and listings, of claims in the application:

Listing of Claims

1-24 cancelled

- 25. (previously presented) A method of compression of graphic images which make up a video stream, comprising the steps of:
 - (a) selecting an image from said graphic images;
 - (b) processing each pixel in a set of pixels from said image comprising the steps of:
 - (i) selecting a first number of bits from each said pixel wherein each pixel comprises a second number of bits and where in said first number of bits is less than said second number of bits
 - (ii) selecting a code value based on the value of said first number of bits wherein said code value is directly related to said value of said first number of bits, and wherein the code value is a third number of bits;
 - -(iii) determining if said code value is the same as a previous code value of an immediately prior pixel;
 - (iv) if the code value is the same as a said previous code value, incrementing a run-length counter which counts the number of matching code values;
 - (v) if the code value is not the same as said previous code value, placing said previous code value and a current value of said run-length counter in an array of encoded data, wherein said previous code value and said current counter value comprise an encoded code, and resetting the value of the run-length counter;
 - (c) upon processing the last pixel in said set of pixels from said image, placing the last previous code value and the last current value of said run-length counter in said array of encoded data, whereby said array of encoded data represents said image;
 - (d) outputting said array of encoded data:
 - (e) selecting a subsequent image for said graphic images;

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- (f) repeating steps (b) through (e) for a series of said subsequent images.
- 26. (previously presented) The method of claim 25 wherein said image and said subsequent image are from of a set of images that are separated temporally by a predetermined period of time.
- 27. (previously presented) The method of claim 26 wherein said the predetermined period of time is less than or equal to 1/15th of a second.
- 28. (previously presented) the method of claim 25 wherein said set of pixels is a subset of all the pixels in said image.
- 29. (previously presented) The method of claim 28 wherein said subset of all the pixels in said image is selected by selecting every other pixel in every other row of pixels.
- 30. (previously presented) The method of claim 25 wherein said code value is the same value as said first number of bits wherein said code value directly related to said value of said first number of bits by equivalence.
- 31. (currently amended) The method of claim 25 wherein said first number of bits is eight, said second number of bits is greater than eight, and a third number bits is five.
- 32. (previously presented) The method of claim 25 wherein said code value is obtained from an encode table.
- 33. (previously presented) The method of claim 32 wherein said code value is an encrypted value which is not equal to any of the group of;
 - (a) the value of the first number of bits selected from of said pixel,
 - (b) the value of the second number of bits of said pixel,
 - (c) the value of any third number of bits selected from of said pixel, whereby the original value of said pixel is not readily discernable from said code value.
- 34. (previously presented) A storage medium comprising an encoded video signal comprising a series of said arrays of encoded data as claimed in claim 25, wherein at least a portion of said video stream is stored in an encoded format.
- 35. (previously presented) The method of claim 25 further comprising the decompression steps of:
 - (g) inputting said array of encoded data;

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- (h) processing each said encoded code in said array, comprising the steps of:
 - i. extracting said code value as a decode value,
 - ii. extracting said run-length counter value as a decode count,
 - iii. determining a decoded pixel value based on the decode value,
 - iv. placing the decoded pixel value in a decoded image decode count number of times:
- (i) displaying said decoded image;
- (j) inputting a subsequent array of encoded data representing said subsequent image;
- (k) repeating steps (h) through (j) for at least a subset of said subsequent images.
- 36. (previously presented) The method of claim 35 wherein said decode pixel value comprises the decode value.
- 37. (previously presented) The method of claim 35 wherein said decode pixel value is obtained from a decode table.
- 38. (new) The method of claim 28, the subset of all the pixels having dimensions less than or equal to 320 by 240.
- 39. (new) The method of claim 32, wherein the lines of said encode table are randomly ordered forming an encryption table so that the direct correlation between the original values and their representative codes are encrypted.
- 40. (new) The method of claim 37 wherein the lines of the decode table are ordered in a sequence matching a corresponding encryption table so that the correct final pixel values are displayed.
- 41. (new) A machine for compressing a plurality of video frames which make up a video signal, comprising
 - (a) video digitizer configured to digitizing a frame from said video frames:
 - (b) a video memory which is able to receive a plurality of pixels from said video digitizer;
 - (c) an encoding circuit for compressing, according to the method of claim 25, said plurality of pixels;
 - (d) a memory which is able to store said encoded data:
 - (e) an input/output device.

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- 42. (new) A machine for compressing a plurality of video frames which make up a video signal, comprising
 - (a) video digitizer configured to digitizing a frame from said video frames:
 - (b) a video memory which is able to receive a plurality of pixels from said video digitizer;
 - (c) an encoding circuit for compressing, according to the method of claim 33, said plurality of pixels;
 - (d) a memory which is able to store said encoded data:
 - (e) an input/output device.
- 43. (new) The machine of claim 41 wherein said input/output device is a storage medium
- 44. (new) The machine of claim 41 wherein said input/output device is a communications transmission channel.
- 45. (new) A machine for decompressing a stream of encoded data that represents a video signal, comprising:
 - (a) an input/output device for reading said stream of encoded data;
 - (b) a decoding circuit for decompressing said stream of encoded data according to the method of claim 35; and
 - (c) a memory that is able to store an image comprising said stream of pixel values that can be displayed as frames of a video sequence.
- 46. (new) A machine for decompressing a stream of encoded data that represents a video signal, comprising:
 - (a) an input/output device for reading said stream of encoded data;
 - (b) a decoding circuit for decompressing said stream of encoded data according to the method of claim 37; and
 - (c) a memory that is able to store an image comprising said stream of pixel values that can be displayed as frames of a video sequence.

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